

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1173 - SB 1262

March 10, 2011

SUMMARY OF BILL: Removes authorization for graduate students of audiology to dispense hearing aids. Eliminates prohibition on post-secondary educational institutions operating hearing centers selling hearing aids. Eliminates the requirement that post-secondary educational institutions operating hearing centers make an annual report on activities related to their hearing centers to the Education Oversight Committee.

ESTIMATED FISCAL IMPACT:

Increase State Revenue - \$375,000

Assumptions:

- According to the Tennessee Board of Regents (TBR) and the University of Tennessee, the University of Memphis, East Tennessee State University, and the University of Tennessee Health Science Center (UTHSC) will purchase and then resell hearing aids at double the cost of the initial purchase.
- The two TBR institutions will purchase hearing aids at a cost of \$1,000 and resell them for \$2,000. TBR estimates that approximately 150 hearing aids will be purchased and sold each year, an increase in net revenue of \$150,000 [$\$2,000 - \$1,000 \times 150$].
- The UTHSC will purchase hearing aids at a cost of \$900 and resell them for \$1,800. UTHSC estimates that 250 will be purchased and sold each year, an increase in net revenue of \$225,000 [$\$1,800 - \900×250].
- Total increase in net state revenue will be \$375,000 ($\$150,000 + \$225,000$).
- Any decrease in state expenditures as a result of the annual reports not being made will be not significant.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

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